



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

It has been a struggle accepting the news about the passing of [Robert Brinton](#), executive director of the Mesa Convention and Visitors Bureau. Robert died Friday, October 21.

He was an invaluable tourism champion and a dear personal friend. I've known Robert for more than 20 years and his passion for this industry along with his desire to see his community thrive is unmatched. He will be deeply missed.

I truly believe that Robert would not want us mourning his death, but rather celebrating his life and enjoying his legacy. The next time you're at a spring training game, remember Robert. As an active participant in the development of the Cactus League, Robert was instrumental in ensuring that Arizona was seen as a spring training destination to the benefit of his community as well as to the state.

Please keep his family in your thoughts and prayers.

Sherry Henry
Director, Arizona Office of Tourism

AOT News

Reach the Mexican Visitor Market with AOT's Mission to Mexico

AOT invites Arizona tourism suppliers to join the agency in a sales mission to Mexico, November 28 through December 2. The sales mission will target tour operators, travel agents and media representatives during luncheon seminars in Mexico City and Guadalajara. Tour operator sales

calls will also take place in Mexico City. Registration cost is \$900, all other expenses are extra. The deadline for participation is **Friday, October 28**. For more information please contact Kristin Swanson at 602-364-3696 or via e-mail at kswanson@azot.gov.

Upcoming Events & Activities

[Celebrate Arizona 100 Years AAA/CAA FAM Tour](#)

Date: November 9 – 13

Location: Greater Phoenix Area, Prescott, Tucson

[New York Media Marketplace](#)

Date: November 15

Location: New York City, NY

[Toronto Media Marketplace](#)

Date: November 16

Location: Toronto, ON

Industry News

IATA October Survey Finds Decline in Airline Business Confidence

The International Air Transport Association (IATA) said airline confidence fell in its October survey of airline CFOs and heads of cargo, with expectations for profitability over the next 12 months down significantly. This low level of confidence has in the past been consistent with the industry doing only a little better than breakeven. A sharp deterioration was also reported for the third quarter.

According to IATA, the economic outlook has deteriorated since the previous survey in July but airlines expect this to have uneven impacts on their markets. The major deterioration has been in cargo markets, where airlines report a sharp decline in the third quarter and in their expectations for the coming year. Confidence in passenger markets is down but not by much. Yield expectations have also declined, particularly in cargo markets where 45 percent of respondents are now expecting a fall. Even in passenger markets, IATA says airline confidence in yields over the year ahead is at their lowest level since early 2009.

The current and expected squeeze on profit margins is apparent in the results for unit costs. Airlines report that unit cost increases were a little lower in the third quarter than in the second quarter, but not by much, which is close to 2008 highs. According to IATA, this reflects the relatively modest decline in fuel prices from April peak levels. The outlook for the year ahead is for more subdued increases, but increases compared with expected declines in yields. Expected breakeven load factors will have increased as a result. Although confidence in the outlook for

profitability has fallen back to the levels seen in the first half of 2009, airlines are continuing to hire and expect to do so in the year ahead. Only 12 percent of respondents expect to cut payrolls over the next 12 months. (*Travel Pulse*, October 19)

U.S. Travel Association Praises VISIT USA Act

The U.S. Travel Association is praising legislation by Sen. Charles Schumer (D-N.Y.) and Sen. Mike Lee (R-Utah) that would create jobs by stimulating international travel to the United States. The Visa Improvements to Stimulate International Tourism to the United States of America, or the VISIT USA Act, amends the Immigration and Nationality Act to make improvements to the U.S. visa process, which is currently a major barrier to international business and leisure travelers seeking to travel to the U.S.

The bill includes a recommendation to allow Chinese nationals to receive five-year multiple-entry visitor visas. Currently, Chinese nationals must apply for new U.S. visas annually, while travelers from other countries can receive up to 10-year, multiple entry visas.

It also creates a premium visa processing process to allow travelers the option of paying a much higher visa processing fee in order to receive a visa interview within three business days. This applies to both B-1 and B-2 visas (tourist and business travel visas). Currently, the State Department fails to meet its goal of processing visas within 30 days of an application submission in critical travel markets, with wait times reaching upwards of three months in countries like Brazil and China. Some applicants who need emergency travel to the U.S. are often prevented from taking a trip, and this provision provides an avenue to address this barrier. The fee assessed for premium visa processing will pay for additional staff, but can also be used to pay for innovative approaches such as videoconferencing technology and mobile interview teams to meet market demand in any country.

The bill allows the secretaries of state and homeland security to designate new program countries for the Visa Waiver Program (VWP). Citizens of VWP countries are allowed to travel to the U.S. under the Electronic System for Travel Authorization (ESTA) program, rather than go through the more lengthy and complicated U.S. tourist visa application process. Other directives of the bill include adjusting the criteria for visa refusal rates to permit entry into the program if a country has a low visa overstay rate; setting a maximum 3 percent visa overstay rate for program countries; and revising probationary status and program termination provisions.

The bill would authorize the Secretary of State to conduct a secure videoconferencing pilot program to conduct visa interviews. This provision maintains the visa interview requirement, while allowing for greater access to conduct the interview via videoconferencing technology. It would create a new "Canadian retiree visa" (non-immigrant visa) is created that lasts 240 days and is renewable every three years for qualified Canadians. The bill creates a non-immigrant visa, renewable every three years, for an individual who expends at least \$500,000 to purchase single-family homes in the United States.

The U.S. share of overseas arrivals has fallen from 17 to 12.4 percent since 2000, even as worldwide travel grew by 40 percent over the same timeframe. Losing just one percentage point of the total world international travel market potentially costs the U.S. 161,000 jobs. For more information, visit www.ustravel.org. (*Travel Pulse*, October 20)

Americans Plan Trips with All the Trimmings This Holiday Season

Three in ten Americans plan to travel for the holidays this year, with 42% of these travelers planning to up their holiday travel budget compared to last year. While the percentage of Americans planning to travel for the holidays is consistent with 2010, the latest American Express Spending & Saving Tracker indicates a significant increase in what these consumers will spend. The average family of four intends to shell out \$2,636 on holiday travel, or \$659 per person, an increase of nearly \$200 from last year.

Significantly more travelers will take to the friendly skies this year, as just over one third (36%) will fly to their destination (vs. 26% last year). More consumers also plan to dine out (31% vs. 20% in 2010) and take part in entertainment focused activities (24% vs. 20% in 2010). Additional reasons for spending more include:

- Taking a longer trip – 21%
- Staying in better accommodations – 19%
- Traveling with more people – 17%
- Choosing a more expensive destination – 12%
- Flying first class or business class – 6%

“Americans will spend on travel this holiday season whether they are visiting family or taking that big trip they’ve waited for all year,” said Claire Bennett, Senior Vice President and General Manager of American Express Travel. “No matter where consumers choose to go, there is a clear interest in getting more out of travel. From dining to adventure, it’s all about making memories.” (*Travel Pulse, October 18*)

Calendar of Events

Visit www.ArizonaGuide.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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